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E.O. 12958: N/A

TAGS: <u>BEXP ETRD ETTC RS</u> SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: A LEVEL AEROSYSTEMS, IZHEVSK, RUSSIA, LICENSE NO. D366222

REFTEL: USDOC 09919

- 11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.
- 12. Reftel requested a Post-shipment verification to determine the legitimacy and reliability of the enduser, A Level Aerosystems, Izhevsk, Russia. The company is listed on BIS license application D366222 as the ultimate consignee of two photon block camera systems. These items are controlled for national security, anti-terrorism, nuclear non-proliferation, regional stability and U.N. sanctions reasons under ECCN 6A003. The licensee is Indigo Systems Corporation, 70 Castilian dr., Goleta, CA 93117.
- 13. On April 16, 2008, Export Control Attache Peter Liston and LES Natalya Shipitsina conducted the requested post-shipment verification with A Level Aerosystems, Izhevsk, Russia. The export control team met with Svetlana Zakharova, Financial Director.
- 14. A Level Aerosystems is an impressive company on the cutting edge of remote monitoring based unmanned aircraft and rotorcraft. A Level Aerosystems has entered international flying competitions against other Russian, U.S. and Israeli UAV manufacturing companies and came home with the First Place trophy.
- $\P5$ . A Level Aerosystems is a small operation founded in 2005 by Alexander Zakharov, its president, and has 5 employees. All of A Level Aerosystems UAV's are fully licensed for operations within Russian Federation. A Level Aerosystems is a privately held Russian company with no outside investors. A Level Aerosystems has a contract with Gazprom, the largest Russian energy conglomerate, to monitor their pipelines with their UAV's looking for leakage, damage and pilferage.
- 16. Svetlana Zakharova presented the 2 FLIR/Indigo Photon Block 2 Thermal Imaging Cameras to the Moscow Export Control Team for inspection. The commodities in reftel contained the serial numbers 15770 and 15777 respectfully. The commodities in reftel are used only by trained operators working for A Level Aerosystems and are stored in a secure safe when not in use.
- 17. A Level Aerosystems has the technical and commercial sophistication to use the items in reftel.

They have a legitimate need and a legitimate end use of this technology.

18. Recommendations: Post recommends A Level Aerosystems, Izhevsk, Russia as a reliable recipient of sensitive U.S. origin commodities. (FCS MOSCOW/BTHORN/PLISTON) BURNS